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UNCLAS STATE 120155

SIPDIS
SEOUL FOR HEATHER GRELL

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [KS](#)
SUBJECT: BLUE LANTERN LEVEL 3: POST-SHIPMENT END-USE CHECK
ON LICENSE 050108473

REF: 2006 BLUE LANTERN GUIDEBOOK

¶1. This is an Action Request. See paragraphs 2-4.

¶2. The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests post's assistance in conducting a post-shipment check on application 050108473 for the export of fiber optic inverters to South Korea. Post is requested to complete this Blue Lantern check within 45 days. Lack of response to a Blue Lantern check will affect pending and future licenses involving parties to this license.

¶3. Reason for request: Lack of documentation from end-user the Defense Acquisition Program Administration (DAPA) and Unfamiliar foreign intermediate consignee EO Systems Co., Ltd. The company has appeared on previous license applications but the bona fides of the company have not been verified by a Blue Lantern check.

¶4. ACTION: Embassy is requested to make inquiries with appropriate host government officials to determine if DAPA ordered the fiber optic inverters and if so, that the articles will be used for the purpose stated on the license. Department also requests that Embassy make appropriate inquiries to verify the bona fides of foreign intermediate consignee EO Systems Co., Ltd., and to confirm the legitimacy of this transaction. PM/DTCC also requests that post conducts a site visit to the company in order to provide Department with an assessment of its business operations and on-site security. Finally, post is asked to assess whether the company appears to be a reliable recipient of USML items. If a site visit is not possible, please inform the PM/DTCC officer.

The following questions are provided as suggested guidance:

--Does the company have supporting documentation for this proposed transaction?

--Does the company have secure facilities and proper accounting and security procedures for handling sensitive USML items?

--What is the exact end-use for this USML item? Will EO Systems Co., Ltd. retain positive control over the fiber optic inverters at all times?

--When was the company established and who are its principals?

--What is the nature of its business -- what type of items does it handle, does it serve as a broker?

--What type of organizations are among its typical customers and where are the customers located?

--Does the company understand the restrictions on United States Munitions List (USML) items, especially the prohibition against unauthorized re-transfers and re-exports?

END ACTION

15. Details of license application:

DTC Case: 050108473

QUANTITY/COMMODITY:

500 Fiber Optic Inverters per Photonis Dwg. 3311 172 35731

License Value: USD 82,500.00

SELLER:

SCHOTT North America, Inc.
122 Charlton Street
Southbridge, MA 01550
POC is Roberta Zacek, Tel. 508-765-3322

FOREIGN CONSIGNEE:

Photonis SAS
Avenue Roger Roncier Z1 de Beauregard
F-19100 Brive
France
POC is Managing Director Anne Lasserre, Tel. 33 (0) 555863700

FOREIGN INTERMEDIATE CONSIGNEE

Photonis Netherlands
Dwazziewegen 2
Roden
Netherlands
No POC cited on the authorization request

EO Systems Co., Ltd.
542-7, Gajwa-dong, Seo-gu
Incheon
South Korea
No POC cited on the authorization request

FOREIGN END-USER:

Defense Acquisition Program Administration
23 YongSango-Gil, Yongsan-Gu
Seoul
South Korea
No POC cited on the authorization request

PURPOSE:

The inverter supplied by SCHOTT will be used in the production of Photonis Image Intensifier Tubes (XX1865HVJ01) and sold to EO Systems Co., Ltd. EO Systems will integrate the intensifier tubes into the night monocular scope (NMS) and supply them to the Defense Acquisition Program Administration in Seoul, South Korea.

16. Submitted in support of the license application were the following documents (PM/DTCC can fax documentation to post upon request):

--Purchase Order No. NVN080368 submitted by Photonis SAS on 26 May 2008, signed by Managing Director Anne Lasserre

--End Use Information Statement submitted by Photonis SAS on 30 April 2008, signed by Purchasing Manager Oliver Merlin

17. Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. PM/DTCC can fax documentation to post upon

request. POC is Tim Mazzarelli, Phone: 202-663-3867; Email: MazzarelliTP@state.gov; SIPRNET: MazzarelliTP@state.sgov.gov. The Blue Lantern Guidebook (ref) is available as a PDF file in the Bunche Library's E-Book Collection on the DOS Intranet: [http://buncheelectroniclibrary.state.gov/ebooks/BlueLanternGuidebook2006%20 final .pdf](http://buncheelectroniclibrary.state.gov/ebooks/BlueLanternGuidebook2006%20final.pdf)

18. Department is grateful for post's assistance in this matter.
RICE